



SEN. GEORGE RUNNER (RET.)

MEMBER  
STATE BOARD OF EQUALIZATION  
**CALIFORNIA'S TAX BOARD**

April 12, 2013

The Honorable Wesley Chesbro  
California State Assembly  
State Capitol  
Sacramento, CA 95814

**RE: OPPOSE AB 468 (Chesbro)**

Dear Assembly Member Chesbro,

I must respectfully oppose your Assembly Bill 468. While I agree the Fire Prevention Fee should be repealed, replacing it with a new tax on property insurance is poor tax policy.

Replacing this unpopular tax with a surcharge on home insurance policies to be collected and remitted by insurance agencies places a new burden both on property owners and insurance companies. Furthermore, AB 468 will make it more costly for Californians to maintain insurance coverage on their property, punishing them for being responsible. Our laws should encourage good behavior, not discourage it.

This bill would rebrand and expand a tax that to date has been a colossal failure. Although the new tax will lessen annual payments for current fire fee payers, it will dramatically expand the number of overtaxed Californians who are forced to pay even higher taxes. It will cost California taxpayers six times more than the tax you are repealing. And an estimated 10 million people—twelve times more than the Fire Protection Fee—would be impacted.

For the sake of all California taxpayers, I must oppose this bill.

Sincerely,

GEORGE RUNNER  
Second District